



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

GLADSTONE NURSING HOME AGREES TO PAY \$25,000 AND ACCEPT INDEPENDENT QUALITY MONITOR IN FEDERAL SETTLEMENT

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Gladstone nursing home agreed today to pay \$25,000 and enter into a corporate integrity agreement to resolve allegations that it submitted false claims to the Medicare and Medicaid programs requesting federal reimbursement for basic care that was not actually provided to its elderly residents.

The United States, Graves explained, contends that it has sustained damages and has certain civil claims against Woodbine Healthcare and Rehabilitation Centre, 2900 Kendallwood Parkway, Gladstone, Mo., for allegedly submitting false Medicaid and Medicare claims for services for two residents. Woodbine submitted \$4,517 in Medicaid claims for services provided to one resident, identified as M.P., during August 1999. Woodbine submitted \$1,733 in Medicare Part C claims for services provided to another resident, identified in the settlement agreement as G.T., between August 1, 1999 and October 31, 1999. The United States contends those claims were false, Graves said, in that Woodbine failed to provide the necessary services referenced in the claim forms, as indicated by the repeated development of maggots on one resident and penile gangrene and pressure sores with another resident.

Under the terms of the settlement agreement signed today, Woodbine agreed to pay \$25,000 to the United States. Woodbine also signed a Corporate Integrity Agreement with the Office of Inspector General of the Department of Health and Human Services to ensure that the facility complies with the requirements of Medicare, Medicaid and all other federal health care programs. Under the corporate integrity agreement, for a term of three years, Woodbine will appoint a Compliance Officer, set up a Quality Assurance Compliance Committee, perform audits and reviews determining whether its residents receive care that meets federal quality of care standards, and provide enhanced training for Woodbine employees. An independent monitor will also assess Woodbine's internal quality control systems.

In the settlement agreement, Woodbine denies the contentions of the United States, and allegations, denies any wrongdoing, and denies the existence of any civil, criminal, or administrative liability to United States.

The settlement with Woodbine was negotiated by Special Assistant U.S. Attorney Andrew J. Lay. The investigation was conducted by the Office of Investigation for the Inspector General of the U.S. Department of Health and Human Services and the United States Postal Inspection Service.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow